

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
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**FISCAL IMPACT STATEMENT**

**LS 7846**

**BILL NUMBER:** HB 2126

**DATE PREPARED:** May 2, 2001

**BILL AMENDED:** Apr 29, 2001

**SUBJECT:** Education Matters.

**FISCAL ANALYST:** Jim Sperlik, David Hoppmann

**PHONE NUMBER:** 232-9866; 232-9559

**FUNDS AFFECTED:** X

X

**GENERAL  
DEDICATED  
FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** (CCR Amended) *Education License Plates*- This bill continues the current allocation of the fees collected for the Education License Plates as follows: (1) 25% to the School Intervention and Career Counseling Development Program; and (2) 75% to local education foundations.

*School Corporation Annual Report*- It includes in the school corporation annual report (beginning in 2002) the Scholastic Aptitude Test scores for students completing the Academic Honors Diploma Program.

*Grant Writing and Fund Raising*- It establishes the School Grant Writing and Fund Raising Assistance Program administered by the Department of Education (the Department).

*Elementary Counseling Program and Fund*- It establishes the Elementary School Counselors, Social Workers, and School Psychologists Program and Fund administered by the Department. It also establishes educational requirements for school social workers.

**Effective Date:** (CCR Amended) Upon passage; July 1, 2001; January 1, 2002.

**Explanation of State Expenditures:** (Revised) *Grant Writing and Fund Raising*- The Department would experience an indeterminable increase in administrative expenses regarding the identification, and dissemination to school corporations, of potential educational funding sources. In addition, the Department would be required to aid school corporations in applying for the funding.

However, the Department would be allowed to defray its cost of administering the Program via Education License Plate fees described below in "Explanation of Local Revenues".

*Elementary Counseling Program and Fund*- The Department could experience an indeterminable increase in administrative expenses regarding the following items: 1) the development and distribution of grant forms; 2) additional staff; and 3) additional computer equipment. In accordance with the provisions of this bill, the

Department would be required to determine grant amounts for eligible school corporations and maintain school corporation findings regarding the impact of the Program and Fund on each participating school corporation.

The Fund would consist of monies from a combination of the following sources: 1) gifts to the Fund; 2) appropriations by the General Assembly; and 3) grants (including grants from private entities). Upon review of a grant application, the Department would be allowed to award grants to eligible school corporations subject to the availability of monies in the Fund.

The funds and resources required above could be supplied through a variety of sources, including the following: 1) existing staff and resources not currently being used to capacity; 2) existing staff and resources currently being used in another program; 3) authorized, but vacant, staff positions, including those positions that would need to be reclassified; 4) funds that otherwise would be reverted; or (5) new appropriations.

This provision of the bill does not make an appropriation. Ultimately, the source of funds and resources required to satisfy the requirements of this bill would depend upon legislative and administrative actions.

**Explanation of State Revenues:** (Revised) *Education License Plates*- This provision extends indefinitely the use of education license plate fees for the administration of the School Intervention and Career Counseling Development Program. (Current law provides that the fee allocation expires December 31, 2000.)

Currently, 25% of the fees collected from the sale of education license plates are allocated to the State Superintendent of Public Instruction (the Superintendent) and 75% are allocated for the benefit of school corporations. Under current law, beginning January 1, 2002, the Superintendent would receive no revenue from the sale of the education license plate. However, this bill provides that the Superintendent's share will remain at 25%. The specific impact will depend upon the number of education license plates sold. In CY 2000, there were 26,881 Education license plate sold which generated \$672,025. The 25% share would amount to \$168,006 per year.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** (Revised) *Education License Plates*- Currently, 25% of the fees collected from the sale of Education license plates are allocated to the Superintendent and 75% are allocated for the benefit of school corporations. Under current law, beginning January 1, 2002, the Superintendent would receive no revenue from the sale of the education license plate. However, this bill provides that the Superintendent's share will remain at 25%. The specific impact will depend upon the number of education license plates sold. In CY 2000, there were 26,881 Education license plates sold which generated \$672,025. The 75% share would amount to \$504,019 per year.

*Grant Writing and Fund Raising*- School corporations could experience an increase in revenues due to the Department's efforts in identifying and disseminating to school corporations potential educational funding sources. The specific effects are currently indeterminable, would vary between school corporations, and would depend upon how successful the Department is in identifying and disseminating potential funding sources in accordance with this bill.

*Elementary Counseling Program and Fund*- A school corporation would be able to apply for and receive a grant based on the demonstrated need for school counselors, social service workers, and school psychologists within its elementary schools. The specific effects of this bill would vary by school corporation and would

depend upon local action.

For the 2000 school year, approximately 260 social workers and 400 school psychologists were employed within Indiana's 294 school corporations.

**State Agencies Affected:** Department of Education.

**Local Agencies Affected:** School Corporations.

**Information Sources:** Bureau of Motor Vehicles License Plate Sales Data for 2000; DOE ORACLE Data Tables.